



FINANCE AND ADMINISTRATION CABINET  
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

Ernie Fletcher  
Governor

P.O. Box 798  
Frankfort, Kentucky 40602-0798  
Phone: 502.696.7200  
Fax: 502.696.7496  
www.kheaa.com

Robbie Rudolph  
Secretary

Jane L. Roig  
Interim Executive Director

May 9, 2006

Ms. Kelli Farmer  
Consumer and Governmental Affairs Bureau, Policy Division  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Room 5-A866  
Washington, DC 20554

Dear Ms. Farmer:

RE: CG Docket No. 02-278

The Kentucky Higher Education Assistance Authority (KHEAA) is the federally designated guarantor for Kentucky and Alabama and annually guarantees over \$1 billion in Federal Family Education Loan (FFEL) Program loans. The FFEL Program is the largest federal student loan program. As one of the nation's 35 guarantors, KHEAA is responsible for administering all aspects of the FFEL Program, including performing vigorous default prevention activities and collecting defaulted student loans using internal staff.

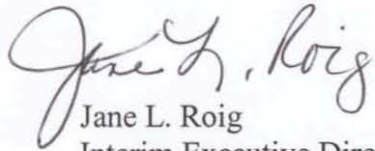
I am writing in response to your office's call for comment on ACA International's Petition for an Expedited Clarification and Declaratory Ruling Concerning the Telephone Consumer Protection Act (TCPA) Rules (CG Docket No. 02-278). KHEAA has read the ACA petition and concurs with its basic premise that federal law and corresponding FCC regulations concerning the prohibited use of auto dialers by telemarketers to contact borrowers on cellular telephones were never intended to and should not apply to creditors and collectors attempting to recover payments for goods and services already purchased. Failure by the FCC to clarify this position will be detrimental to KHEAA and the federal student loan program as a whole.

In federal fiscal year 2005, KHEAA recovered over \$37 million in defaulted student loans. More importantly, KHEAA prevented 94,250 borrowers (or over \$5 million) from defaulting by contacting delinquent student loan borrowers and counseling them on the many repayment options available under the FFEL Program. The inability to use auto dialer technology would not only lead to reduced default recoveries and increased defaults, but thousands of borrowers who otherwise may have brought their accounts current will suffer the negative ramifications of student loan default. To avoid these detrimental consequences, the FCC is urged to rule in favor of the ACA petition.

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KHEAA respectfully requests that the Commission issue a declaratory ruling clarifying 47 C.F.R. § 64.1200(a)(1)(iii) does not apply to creditors and collectors when calling telephone numbers to recover payments for goods and services received by consumers and the 2003 TCPA rulemaking did not alter the Commission's previous findings that calls to recover debts are not subject to the TCPA's auto dialer restrictions.

Sincerely,

A handwritten signature in cursive script, reading "Jane L. Roig".

Jane L. Roig  
Interim Executive Director

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